



BILLING CODE 3510-DR-P

DEPARTMENT OF COMMERCE

International Trade Administration

Ports and Marine Technology Trade Mission to India

November 10 – 14, 2014

AGENCY: International Trade Administration, Department of Commerce.

ACTION: Notice.

MISSION DESCRIPTION

The United States Department of Commerce, International Trade Administration, Global Markets, U.S. & Foreign Commercial Service, is organizing an Executive-led ports and marine technology trade mission to India (Mumbai, Ahmedabad, and Kochi) November 9-15, 2014. The purpose of the mission is to introduce U.S. firms and U.S. trade associations to India's rapidly expanding ports and marine technology market and to assist U.S. companies to pursue export opportunities in this sector. The mission to India is intended to include representatives from leading U.S. companies and U.S. trade associations with members that provide state-of-the-art ports and marine technologies, including equipment and services for security, logistics, vessel tracking, oil spill detection and contingency preparedness, dredging, underwater exploration and mapping, among other goods and services. The mission will visit three cities, Mumbai, Ahmedabad and Kochi (Cochin), where the delegates will receive market briefings and participate in customized meetings with key port officials and prospective partners. As an optional add-on stop, interested participants can also visit the National Institute of Oceanography (NIO) in the State of Goa.

The mission will help participants gain market insights, make industry contacts, solidify business strategies, and advance specific projects, with the goal of increasing U.S. exports to India.

Activities will include one-on-one matchmaking appointments with pre-screened potential business partners, interacting with government representatives in the industry, and networking events. Participating in an official U.S. industry delegation, rather than traveling to India on their own, will enhance the participants' ability to secure meetings in India with key decision makers.

COMMERCIAL SETTING

Even though growth has slowed somewhat in the last year, India is still one of the world's fastest growing large economies, presenting lucrative opportunities for U.S. companies that offer products and services in the ports and marine technology sectors. For small- or medium-sized companies, having a strong distributor or representative in India is the key to taking advantage of opportunities presented by these large public and private projects.

There are 13 major ports (under national government control) and 187 minor ports (under local state/private control) across India's extensive 4,671 miles of coastline. The Shipping Ministry expects traffic at major ports to grow at a Compounded Annual Growth Rate (CAGR) of 8 percent, from 561 million tons in 2010 to 1.2 billion tons by 2020, and traffic at minor ports is expected to grow at a CAGR of 16 percent – from 289 million tons to 1.2 billion tons during that timeframe. To meet this growth, India's ports plan to develop new terminals, upgrade existing berths, and modernize operations by including state of the art cargo handling equipment, tracking systems, security systems, oil spill detection equipment, oil spill clean-up equipment, and dredging equipment. The state governments will issue national and global tenders for the development and procurement of equipment for the ports that fall under the respective state

governments' jurisdiction. In general, Indian port expansions and greenfield projects are being developed by private companies under concession by the Government of India or on private properties. For government-operated ports, government budget is being committed to some of these upgrades. For many government-owned ports, the Indian government is utilizing the Public Private Partnerships (PPP) model, in which the government awards concession contracts to private companies or consortia, which to date have included Indian companies and some major international companies that provide part or all of the funding for the projects and operate the projects for a period of time.

To explore these significant port and marine opportunities the trade mission will visit the following cities.

Kochi (Cochin), Kerala

Kerala is a state located in the southwest coast of India with a 366 mile coastline. The Port of Kochi is a major port governed by the Major Port Trusts Act of 1963 and run by the Ministry of Shipping. There are also 17 intermediate and minor ports in Kerala run by the Government of Kerala. The Government of Kerala is promoting private sector investment in the maritime sector and has developed a policy framework to attract PPPs. The key initiatives outlined in the Kerala State Government's 2012-2013 policy framework include development of new port facilities, support infrastructure, upgrade of existing facilities and installation of modern and efficient handling equipment. These Government initiatives will open new business avenues for private players and will produce sales opportunities for U.S. products and services. The International Container Transshipment Terminal (ICTT) at Vallarpadam, Kochi, is one such initiative by the Government. The terminal is being developed as a build-operate-transfer (BOT) concession for 30 years by India Gateway Terminal Pvt. Ltd. (IGT), with equity holdings by DP World

(81.63%), Container Corporation of India (CONCOR) (14.56%), Chakiat (2.75%), and Transworld Group (1.07%). Some of the additional opportunities in State of Kerala with estimated project values include:

- Construction of 200x20 m vessel berthing facility at Beypore for a leasing period of 30 years, \$26.3 million
- Ponnani Port development, \$335 million
- Alappuzha Port development into a passenger terminal, inland marine and water-park through a PPP, \$9.1 million
- Kollam Port development into an all-weather port, \$27.7 million
- Vizhinjam Port development into a major international port and transshipment terminal, \$732 million
- Hydrofoil or jetfoil service connecting Kochi to Agatti, Colombo and Male, \$3.7 million
- Thalassery marina development, \$0.87 million

Mumbai, Maharashtra

Mumbai has two major ports: the Mumbai Port Trust (MPT) and Jawaharlal Nehru Port Trust (JNPT), both of which are administered by the Ministry of Shipping. While MPT is a traditional dock system port, JNPT is a more modern container port. The majority of goods entering India by boat pass through JNPT. A number of state and private ports also exist in the State of Maharashtra with others being developed.

Some of the port-related opportunities in Maharashtra, with projected project values when available, include:

- 4th container terminal at JNPT, \$750 million

- Offshore container terminal for Mumbai Port, \$350 million
- Multi-purpose cargo terminal at Mumbai Port under review for PPP
- Seven port locations for greenfield port development
- Eight inland water transport projects worth \$4 million
- Marina project in Mumbai

Ahmedabad, Gujarat

The Government of the State of Gujarat plans to develop 10 greenfield ports, six of them as fully private ports and four as joint public-private ports. There are a variety of opportunities for U.S. port and marine technology providers in Gujarat, including:

- Vessel traffic management systems in the Gulf of Khambhatt, a PPP
- Tracking & warning system on more than 12,000 fishing boats, estimated \$24 million project value
- Integrated port management system in many ports
- Security infrastructure for compliance with International Ship and Port Facility Security
- Shipbuilding, including ultra-modern defense and navy technology
- New maritime cluster and two port cities (Mundra and Pipavav)
- Development of coastline: beach resorts, cruise lines, marinas

Optional Visit to Goa

For an additional fee, participants in the mission can visit the National Institute of Oceanography (NIO) in Goa, a one-hour flight south of Mumbai. At NIO, participants will hear from the leading Indian government oceanographic research and exploration organization on priority government efforts for oceans exploration, coastline protection, and oil spill recovery.

Participants will have a chance to present their products and services to key decision makers who regularly purchase international technologies, including U.S. technologies.

MISSION GOALS

The goals of the Ports and Marine Technology Mission to India are:

1. To help participants gain market exposure and introduce participants to the vibrant Indian market in the three cities of Kochi, Mumbai, and Ahmedabad, with an optional stop in Goa;
2. To provide an opportunity for participants to assess current and future business prospects by establishing valuable contacts with prospective business partners and clients; and
3. To provide an opportunity for participants to develop market knowledge and relationships leading to potential partnerships.

Mission Scenario

The mission will visit three cities in India: Kochi, Mumbai, and Ahmedabad, allowing participants to access the largest markets and business port centers in the country. An optional fourth stop will be to the State of Goa to meet with the National Institute of Oceanography. In each city, participants will meet with business contacts, government officials, benefit from briefings and networking opportunities, and visit port and marine facilities.

Proposed Mission Timetable

Day of Week	Date	Activity
Sunday Kochi	Nov. 9 th	<ul style="list-style-type: none"> • Arrive in Kochi, Kerala • Overnight stay in Kochi
Monday Kochi	Nov. 10 th	<ul style="list-style-type: none"> • Breakfast briefing by U.S. Consulate, Chennai • One-on-one business meetings • Networking lunch hosted by Chamber/ABC with Kerala • Maritime Board Development Corporation • One-on-one business meetings continue • Business dinner hosted by American Business Corner (ABC) partner in Kochi • Overnight stay in Kochi
Tuesday Kochi/Mumbai	Nov. 11 th	<ul style="list-style-type: none"> • Technical Site Visit (half day in Kochi) • Travel to Mumbai • Overnight stay in Mumbai
Wednesday Mumbai	Nov. 12 th	<ul style="list-style-type: none"> • Welcome – Breakfast briefing by Consular staff • One-on-one business meetings • Networking lunch hosted by chamber with local industry representatives • One-on-one meetings continue • Networking reception with industry contacts • Overnight stay in Mumbai
Thursday Mumbai/ Ahmedabad	Nov. 13 th	<ul style="list-style-type: none"> • Technical Site Visit (half day in Mumbai) • Following the site visit, delegates depart Mumbai for Ahmedabad • Overnight stay in Ahmedabad
Friday Ahmedabad	Nov. 14 th	<ul style="list-style-type: none"> • Briefing by Consular staff • One-on-one business meetings • Networking lunch hosted by Chamber with Gujarat Maritime Board • One-on-one business meetings continue • Trade Mission Concludes
Saturday Ahmedabad/US	Nov 15 th	<ul style="list-style-type: none"> • Delegation members return to United States on own itinerary; unless going to Goa
Saturday/Sunday	Nov.15 th /16 th	<ul style="list-style-type: none"> • Optional Add-on: Travel to Goa for meeting with National Institute of Oceanography

Monday Goa	Nov. 17 th	<ul style="list-style-type: none"> • Optional visit to National Institute of Oceanography Briefings and Technical Presentations
Tuesday Goa/US	Nov. 18 th	<ul style="list-style-type: none"> • Return to United States on own itinerary

***Note:** The final schedule and potential site visits will depend on the availability of local government and business officials, specific goals of mission participants, and ground transportation.

PARTICIPATION REQUIREMENTS

All applicants will be evaluated on their ability to meet certain conditions and best satisfy the selection criteria as outlined below. The mission is designed for a minimum of 15 companies and/or trade associations and a maximum of 20 companies and/or trade associations to participate in the mission from the applicant pool. U.S. companies already doing business in the target markets as well as U.S. companies seeking to enter these markets for the first time are encouraged to apply.

Fees and Expenses

After a company or trade association has been selected to participate on the mission, a participation fee to the U.S. Department of Commerce is required.

- The participation fee for one representative is \$3,100 for a small or medium-sized enterprise (SME)¹ or trade association and \$3,300 for large firms.
- The fee for each additional firm representative (SME or large) is \$750.

¹ An SME is defined as a firm with 500 or fewer employees or that otherwise qualifies as a small business under SBA regulations. See <http://www.sba.gov/contractingopportunities/owners/basics/whatismallbusiness/index.html>. Parent companies, affiliates, and subsidiaries will be considered when determining business size. The dual pricing reflects the Commercial Service's user fee schedule that became effective May 1, 2008. See <http://www.export.gov/newsletter/march2008/initiatives.html>.

- Fee for the optional 4th stop to the National Institute of Oceanography in Goa will be \$300 per participants for the first representative and \$100 for any additional representative, provided there are a minimum of 5 participants travelling to Goa.

Expenses for travel, lodging, some meals, and incidentals will be the responsibility of each mission participant.

Conditions for Participation

An applicant must submit a completed and signed mission application and supplemental application materials, including adequate information on the company's or represented companies' products and/or services, primary market objectives, and goals for participation. If the U.S. Department of Commerce receives an incomplete application, the Department may reject the application, request additional information, or take the lack of information into account when evaluating the applications.

Each applicant must also certify that the products and services it seeks to export through the mission are either produced in the United States, or, if not, marketed under the name of a U.S. firm and have at least fifty-one percent U.S. content of the value of the finished product or service. In the case of a trade association, the applicant must certify that, for each company to be represented by the trade association, the products and services the represented company seeks to export are either produced in the United States or, if not, marketed under the name of a U.S. firm and have at least fifty-one percent U.S. content.

Selection Criteria for Participation

Selection will be based on the following criteria:

- Suitability of the company's products or services to the mission goals.

- Applicant's potential for business in India, including likelihood of exports resulting from the mission.
- Consistency of the applicant's goals and objectives with the stated scope of the mission.

Referrals from political organizations and any documents containing references to partisan political activities (including political contributions) will be removed from an applicant's submission and not considered during the selection process.

TIMEFRAME FOR RECRUITMENT AND APPLICATIONS

Mission recruitment will be conducted in an open and public manner, including publication in the Federal Register, posting on the Commerce Department trade mission calendar – <http://wxport.gov/trademissions> – and other Internet web sites, press releases to general and trade media, direct mail, broadcast fax, notices by industry trade associations and other multiplier groups, and publicity at industry meetings, symposia, conferences, and trade shows.

Recruitment for the mission will begin immediately, and conclude on August 15, 2014. The U.S. Department of Commerce will review applications and make selection decisions on a rolling basis beginning May 14, 2014, until the maximum of 20 participants is selected. Applications received after August 15, 2014, will be considered only if space and scheduling constraints permit.

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